

TANF REAUTHORIZATION HIGHLIGHTS

ADMINISTRATIONS PROPOSAL:

FUNDING:

- Maintains the TANF funding level, and doesn't change the allocation formula.
- Maintains child care funding level.
- Doesn't change state maintenance-of-effort (MOE) requirements.
- Improves and reauthorizes the federal contingency fund.
- Allows designation of rainy day funds.
- Increases carry-over flexibility.

POLICY (NON-WORK):

- Eliminated the separate two-parent participation rate.
- Phasing out of the caseload reduction credit.
- Retains time limits and the 20% hardship exemption.
- Allows for child support full pass through for leavers.
- Creates overarching TANF purpose, "to improve well-being of children".
- Establishes "healthy marriage" promotion demonstration projects.
- Includes some food stamp improvements/simplifications.
- Provides for the restoration of food stamps for immigrants (not TANF).
- Includes various state plan enhancements (numerical goals for all purposes)
- Creates the "Superwaiver".

WORK REQUIREMENTS:

- Requires all states to fully engage all families (self-sufficiency plan).
- Increases work participation rates from 50%-70%.
- Requires a 40-hour work week.
- 24 hours of 40 hour week must be in specified activities (more narrow than current) There are some exemptions from this (teen parents in high school).
- 16 additional hours can be for "any TANF purpose".
- Families needing AODA, physical rehab and others can pursue for 3 months out of 24-month period without affecting state participation rate.

OTHER PLAN HIGHLIGHTS:

- Herger Bill mostly adopts Administrations proposal with some differences:
 - Restoration of caseload reduction credit, readjusted every year (base year 2001 by 2005).
 - More ability to transfer TANF to child care.
 - 4 weeks per year for sick leave/personal days.
- Other Democratic proposals (Cardin); key elements:
 - Poverty reduction as a purpose
 - Block grant adjusted to inflation
 - Replaces employment credit with caseload reduction credit.